

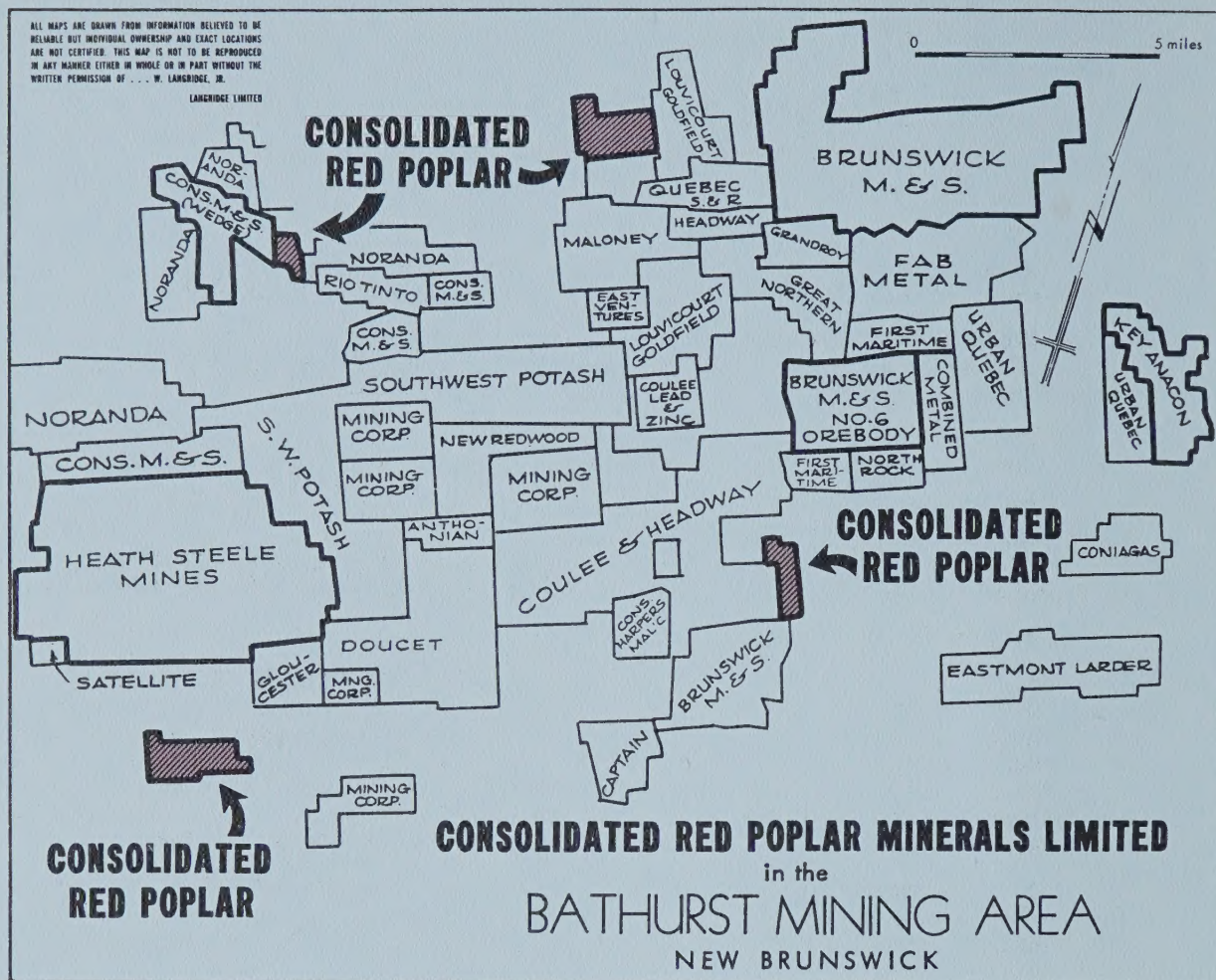
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ANNUAL
REPORT
to the
SHAREHOLDERS
for the year ending
December 31
1965

*Consolidated Red Poplar Minerals
Limited*

LISTED ON THE TORONTO STOCK EXCHANGE



Consolidated Red Poplar Minerals Limited

CAPITALIZATION

Authorized 5,000,000 shares, \$1.00 par value
Issued 4,288,990 shares at April 30th, 1966
(of which 992,500 are escrowed)

OFFICERS AND DIRECTORS

MURRAY COOPER, President
SAM TAYLOR, F.C.I.S., Secretary-Treasurer
GERALD S. HORGAN, Q.C., Director
JACK A. GILBERT, Director
MILTON W. BLOOM, Director

REGISTRAR AND TRANSFER AGENT

CROWN TRUST COMPANY, Toronto, Ontario

CONSULTING GEOLOGIST

SCOPE MINING & EXPLORATION
CONSULTANTS LTD.

HEAD OFFICE

85 Richmond Street West, Toronto 1, Ontario

LISTED

The Toronto Stock Exchange

Report to the Shareholders

Your Company has commenced geophysical survey work on the four separate groups of claims now held in the Bathurst-Newcastle area of New Brunswick, programmed as follows:

Property No. 1 (18 claims, 3 miles south of Heath Steele mine) Magnetometer survey to be followed by an Induced Polarization Survey over parts of the property based on the magnetometer results.

Property No. 2 (7 claims, 2½ miles east of Cominco's Wedge mine) Geological mapping to be followed by combined magnetic and electromagnetic survey.

Property No. 3 (15 claims, 3 miles west of Brunswick No. 12 Mine and Concentrator) Geological mapping to be followed by a geophysical survey. (As we prepared this report, Premier Robichaud of New Brunswick has announced that a major new orebody is taking shape north and west of the main No. 12 orebody of the Brunswick Mining & Smelting Corp. property.)

Property No. 4 (12 claims, 2 miles south of Brunswick No. 6 open pit mine) Geophysical survey.

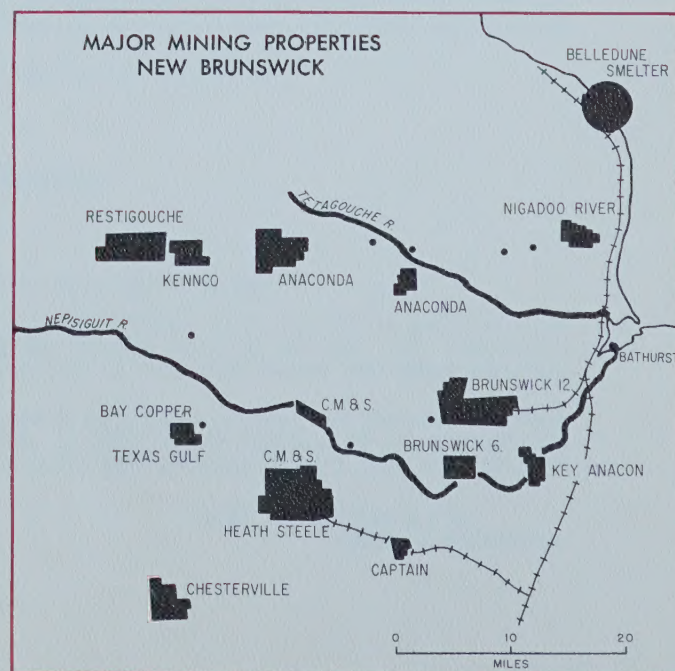
Scope Mining & Exploration Consultants Limited, who have been engaged to carry out the programs recommended for these properties, report that some progress was made during the winter months, but severe storms in the area, followed by the winter breakup season prevented completion. As soon as ground conditions permit, they will take up where they left off and we expect this preliminary work can be completed very quickly. On the results obtained will depend the next stage of work on each property.

You will recall that a brief outline and location of these properties was given in our Interim Report of February 24. The maps reproduced here will serve to show the location of your Company's groups in relation to mines in the area and to other exploration projects.

Among the encouraging results being obtained in this camp of recent date is the reported find of Clearwater Mines on a property to the north of Cominco's producing Wedge copper mine. The company reported, according to *The Northern Miner* March 17, that deep drilling results were giving promise of shaping up into a large, low grade tonnage situation with an ore complex containing lead, zinc, copper, gold and silver. Some 6,250,000 tons of combined 3.5% lead-zinc-copper had been blocked out. Drilling is continuing to extend the strike length at depth. Your Company's claims here are 2½ miles east of the Wedge.

We also found much of interest in the report prepared in March by Mr. J. C. Smith, Chief Geologist of the New Brunswick Mines Branch. He noted that "the scope and success of mining developments have recently stimulated exploration and prospecting activity in the northern part of the province." Some 6,400 claims were staked in 1965 bringing the total now in effect to 11,600.

"The forecast for the 1966 field season," Mr. Smith reported, "is of a continuing high level of activity. Interest in the area should be stimulated when the results of a comprehensive regional geochemical programme conducted during 1965 are published by the Geological Survey of Canada."



from the Canadian Mining Journal (April)

Report to the Shareholders continued

Your Company plans to concentrate all efforts on the four properties held in this area during the coming months. Progress reports for the information of shareholders will be issued from time to time to keep you posted on the results obtained.

As may be seen by reference to the Auditors' Notes in the accompanying Financial Statement for the year ending Dec. 31, 1965, your Company is adequately financed to carry out the recommended programs. As previously advised, \$70,000 was obtained in February through the sale of treasury shares, and we have also realized \$27,492 on the sale of marketable securities.

The Annual Meeting of shareholders will be held in Toronto on Friday, June 17th, 1966, the time and place of which are noted in the accompanying Notice of Meeting. Also, in order that those who may be unable to attend may have an opportunity to exercise their vote, a proxy form is enclosed which we would request that you sign and return in the addressed envelope provided.

We are looking forward to an interesting new season of active field work on the four properties located roughly at the four corners of the most active sector of the Bathurst camp.

On behalf of the Board of Directors,

MURRAY COOPER,

President.

May 20th, 1966.

Consolidated Red Poplar Minerals Limited

Balance Sheet as at December 31, 1965

ASSETS

CURRENT ASSETS:

Cash	\$	164.28	
Accounts receivable		2,157.20	
Marketable securities — at cost (note 3)		32,649.12	
(Quoted market value \$22,752.00)			\$34,970.60

MINING PROPERTIES:

Todd Township claims — at nominal value	\$	1.00	
Sakami Lake claims — at cost — 37½ % interest		1,167.00	
New Brunswick claims		500.00	1,668.00

DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURE:

Sakami Lake claims			13,534.22
			<u>\$50,172.82</u>

LIABILITIES

CURRENT LIABILITIES:

Bank loan	\$	5,000.00	
Accounts payable		5,973.45	\$10,973.45

CAPITAL STOCK:

Authorized: 5,000,000 shares of \$1.00 each	\$	5,000,000.00	
Issued and fully paid: 3,763,990 shares	\$	3,763,990.00	
Less: Discount on shares		2,314,631.28	
		<u>\$ 1,449,358.72</u>	
Add: Premium on shares	\$	40,000.00	
Contributed surplus		435,896.80	475,896.80

Deficit	\$	1,925,255.52	
		<u>1,886,056.15</u>	39,199.37
			<u>\$50,172.82</u>

- NOTES: (1) Pursuant to an agreement dated February 8, 1966 the Company has sold 450,000 shares of its capital stock for \$70,000.00 cash.
- (2) Pursuant to an agreement dated February 8, 1966 the Company has purchased 40 unpatented mining claims in the Bathurst Area of New Brunswick for \$4,000.00 cash and 75,000 shares of the Company's capital stock, 7,500 free shares valued by the directors at 15 cents per share and 67,500 escrow shares valued by the directors at 5 cents per share.
- (3) Subsequent to December 31, 1965, these securities were sold for \$27,492.00.

Approved on behalf of the Board:

"MURRAY COOPER", Director.

"S. TAYLOR", Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of Consolidated Red Poplar Minerals Limited as at December 31, 1965 and the statements of deficit and source and application of funds for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the above balance sheet and attached statements of deficit and source and application of funds present fairly the financial position of the Company as at December 31, 1965 and the results of its operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
March 15, 1966.

NEFF, GOODWIN & CO.,
Chartered Accountants.

Consolidated Red Poplar Minerals Limited

Statement of Deficit

FOR THE YEAR ENDED DECEMBER 31, 1965

Balance, December 31, 1964		\$ 1,865,517.40
Add: Administration expense:		
Salaries	\$1,615.00	
Transfer agents fees	1,444.86	
Rent	1,002.36	
Shareholders' meetings and reports	682.90	
Legal and audit fees	375.00	
Interest and exchange	239.23	
Telephone and telegraph	253.52	
Government fees and taxes	214.03	
Directors' fees	225.00	
Stock exchange fees	100.00	
Office expense	14.16	
	<u>\$6,166.06</u>	
Less: Interest earned	56.36	
	<u>\$6,109.70</u>	
Engineering fees	3,000.00	
Prospecting salaries and expenses	1,980.60	
Loss on sale of marketable securities	187.20	
Buildings, machinery and equipment	1.00	
Investment in another mining company	1.00	
Exploration expenditure on Irish concessions abandoned	9,259.25	20,538.75
Balance, December 31, 1965		<u><u>\$ 1,886,056.15</u></u>

Statement of Source and Application of Funds

FOR THE YEAR ENDED DECEMBER 31, 1965

SOURCE:

Interest earned	\$ 56.36
Irish concession deposits	3,187.50
	<u>\$ 3,243.86</u>

APPLICATION:

Administration expense	\$ 6,166.06
Engineering fees	3,000.00
Staking cost of mining claims	500.00
Prospecting salaries and expenses	1,980.60
Loss on sale of marketable securities	187.20
	<u>11,833.86</u>

Balance, representing the decrease in working capital as set out below: \$ 8,590.00

	December 31	
	1964	1965
Current assets	\$39,159.43	\$34,970.60
Current liabilities	6,572.28	10,973.45
Working capital	<u>\$32,587.15</u>	<u>\$23,997.15</u>
		<u>\$ 8,590.00</u>

